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Korea, Republic of

Agricultural Situation

2009 Applied Tariff Schedule for Agricultural, Forestry & Fishery Products

2009

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Report Highlights:

In late December, Korea announced changes to its tariff schedule for certain agricultural products, most of which are used for livestock feed production. In particular, in-quota tariffs on soybean meal, DDGS and alfalfa and other feed ingredients were lowered from the same period last year (Jan-Jun). These changes are effective from January 1 - June 30, 2009.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Seoul [KS1]
[KS]

In-quota and Adjustment Tariff Rates Announced for 2009

The Ministry of Strategy and Finance (MOSF) announces each December its tariff schedule for the coming year. The new schedule for agriculture products incorporates the industry demands, particularly the domestic feed sector, and appears to be inline with WTO commitments.

On December 23, 2008, the Ministry of Strategy and Finance (MOSF) published new adjustment tariffs for a handful of agricultural products, which are effective for calendar year 2009. See Table 1 for details. The new tariffs are expected to have a limited impact on imports of U.S. agricultural and fishery products.

MOSF also released at that time the tariff rate quotas (TRQ), several of which are new, as well as in-quota tariffs for agricultural, forestry and fishery products, effective from January 1 through June 30, 2009. MOSF could decide sometime this spring to extend these revisions for the remainder of 2009. See Table 2 for more details.

The new TRQs and in-quota tariffs are expected to facilitate continued imports of U.S. agricultural products, with particular emphasis on feed grains, animal feed ingredients, oilseeds and soybean oil for biofuel production. Tariffs on biofuel feedstocks were also lowered. Several noteworthy developments are listed below.

Lastly, tariffs on some of these same agricultural products, such as processing corn, milling wheat and soybeans went to a zero during the last half of 2008 as the government struggled to keep a lid on rising inflation. See [KS8019](#) for more details. However, these tariffs have now snapped back to earlier levels suggesting that inflation is less of a concern than it was last year.

Notable TRQ & In-Quota Changes*Feed Ingredients*

- Brewing or distilling dregs and waste for feed (i.e. DDGS): New 465,000 MT TRQ with a 1% in-quota duty. Korea imported 300,650 MT from the United States out of a total 466,055 MT from Jan– Nov 2008.
- Cotton seed for feed: New 80,000 MT TRQ with an in-quota duty of zero. Korea imported 79,560 MT of U.S. cotton seed out of total 93,088 MT from Jan– Nov 2008.
- Alfalfa: Unlimited quantity with an in-quota tariff of zero. Korea imported 135,303 MT from the United States out of a total 159,982 MT from Jan– Nov 2008.
- Feed Rye: New 6,000 MT TRQ with an in-quota rate of zero. Korea imported 7,483 MT of U.S. rye out of total 8,291 MT imports from Jan– Nov 2008.
- Soybean Meal: 1.4 million MT TRQ with an in-quota tariff of zero. Korea imported 172,586 MT from the United States out of a total 1.7 million MT from Jan-Nov 2008.

Food

- Soybeans: 600,000 MT TRQ with a 1% in-quota duty. Korea imported 394,419 MT from the United States out of a total 1.1 million MT from Jan–Nov 2008.
- Processing Corn: 1.0 million MT TRQ with an in-quota duty of zero. Korea imported 1.2 million MT from the United States out of a total 1.3 million MT from Jan–Nov 2008.

Table 1. Adjustment Tariffs for CY 2009

(Effective as of January 1, 2009)

HS No.	Commodity	WTO Bound Rate	Adjustment Tariff		
			2008	2009	Changes
0301 (Live)	Eel 0301 92	None	27 A/	27 A/	-
	Sea-bream 0301 99	None	36 B/	34 C/	- 2
	Sea bass 0301 99	None	38	34	- 4
	Croaker 0301 99	None	36	34	- 2
0303 (Frozen)	Alaska Pollack 0303 79	None	30	30	-
	Saury, excluding horn fish 0303 79	None	31	31	-
	Croaker 0303 79	None	53	53	-
0306	Salted or brine shrimp 0306 23	None	46 D/	42 E/	- 4
0307	Squid (Frozen) 0307 49	None	22	22	-
0709	0709 59 Oak mushroom	90 F/	42 F/	42 F/	-
0712	0712 39				
1902	Chinese vermicelli 1902 19	54 G/	40 H/	36 I/	- 4
1904	Steamed or boiled rice 1904 90 1904 90	54	50	50	-
2103	Mixed seasonings (including red pepper paste) 2103 20	54	45	45	-

HS No.	Commodity	WTO Bound Rate	Adjustment Tariff		
			2008	2009	Changes
2103	Mae Joo (fermented soybean) 2103 90	54 J/	16 K/	16 K/	-
4412	Plywood 4412 31 4412 32 4412 39 4412 99	None	11	10	- 1

Source: Ministry of Strategy and Finance (MOSF)

Note:

A/ or 1,879 Won/kg, whichever is greater.

B/ or 2,670 Won/kg, whichever is greater.

C/ or 2,292 Won/kg, whichever is greater.

D/ or 315 Won/kg, whichever is greater.

E/ or 287 Won/kg, whichever is greater.

F/ or 1,625 Won/kg, whichever is greater.

G/ or 427 Won/kg, whichever is greater.

H/ or 316 Won/kg, whichever is greater.

I/ or 284 Won/kg, whichever is greater.

J/ or 218 Won/kg, whichever is greater.

K/ or 64 Won/kg, whichever is greater.

Table 2. Tariff Rate Quota Quantities and In-quota rates for January 1 – June 30, 2009 Period
 (Quota Tariff Schedule for January 1 – June 30, 2009)

HS No.	Commodity	Applied Tariff 1/	Quota Tariff Rate (%)				Trade (Metric ton)	
			2008 2/	2009 3/	Changes	2009 Quota (MT) 3/	2008 Total Imports 4/	2008 Imports from U.S. 4/
0404	Whey for feed 0404 10	20	2	5	+ 3	20,000	29,573	13,010
0511	Brine shrimp eggs for hatching 0511 91	8	4	-	-	Deleted	102	22
0714	Manioc chips for alcohol 0714 10	20	10	6	- 4	156,000	155,956	0
0714	Manioc chips for feed 0714 10	20	10	6	- 4	200,000		
0714	Manioc chips for starch 0714 10	20	-	6	New	10,000		
0714	Manioc pellets for feed 0714 10	7	Zero	Zero	-	450,000	661,057	0
0901	Coffee, not roasted 090111 090112	2	-	Zero	New	50,000	88,390	15
1001	Wheat for milling 1001 90	1.8	0.5	1	+ 0.5	1,200,000	1,991,252	1,303,596
1002	Rye for seed 100200	3	-	Zero	New	6,000	8,291	7,483
1003	Malting barley 1003 00	30	20	6	- 14	6,500	27,712	0
1003	Unhulled barley for feed 1003 00	5	2	Zero	- 2	50,000	5,089	0
1004	Oats for seed 100400	3	-	Zero	New	80,000	2,788	0
1005	Maize for feed 1005 90	3	Zero	Zero	-	4,500,000	6,932,621	6,647,142
1005	Maize for processing 1005 90	3	0.5	Zero	- 0.5	1,000,000	1,319,745	1,162,364
1101	Wheat flour	4.2	-	2	New	Unlimited	54,195	842

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			2008 2/	2009 3/	Changes	2009 Quota (MT) 3/	2008 Total Imports 4/	2008 Imports from U.S. 4/
	110100							
1107	Malt for beer brewing 1107 10 1107 20	30	10	8	- 2	93,000	134,917	12,360
1108	Manioc (Cassava) starch for cardboard paper 1108 14	8	-	4	New	30,000	14,219	0
1201	Soybean 1201 00	3	0	1	+1	600,000	1,078,333	394,419
1207	Cotton seeds for feed 1207 20	3	-	Zero	New	80,000	93,088	79,560
1214	Alfalfa meal & pellets for feed 1214 10	1	-	Zero	New	Unlimited	21,092	2,190
1214	Alfalfa bale for feed 1214 90	1	-	Zero	New	Unlimited	138,890	133,113
1214	1214 90 Fodder roots and other vegetables for feed	20	2	2	-	410,000 5/	777,731	559,594
2308	2308 00	5						
1507	Soybean oil for biodiesel production 1507 10 1507 90	8	-	2	New	80,000	62,350	718
1517	Margarine; edible mixtures of animal or vegetable fats & oils 1517 90	8	-	4	New	4,000	8,466	292
1518	Animal or vegetable fat for feed 1518 00	8	6	3	- 3	25,000	35,921	15,055
1518	Animal or vegetable fat for biodiesel production 1518 00	8	-	3	New	30,000		
1701	Refined sugar	40	35	35	-	Unlimited	28,560	1,222

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			2008 2/	2009 3/	Changes	2009 Quota (MT) 3/	2008 Total Imports 4/	2008 Imports from U.S. 4/
	1701 91 1701 99							
1702	Lactose only 1702 11 1702 19	20	5	10	+ 5	10,000	12,238	7,008
1703	Molasses for feed 1703 10 1703 90	3	-	Zero	New	270,000	733,718	59
2207	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol 2207 10	10	-	5	New	80,000 Kiloliters	112,120	0
2302	Wheat pellets for feed 2302 30	2	-	Zero	New	200,000	347,707	0
2303	Beet-pulp, bagasse and other waste of sugar manufacture for feed 2303 20	5	-	1	New	80,000	139,237	0
2303	Brewing or distilling dregs & waste for feed 2303 30	5	-	1	New	465,000	466,055	300,650
2304	Soybean Oil-cake for feed 2304 00	1.8	1	Zero	- 1	1,350,000	1,660,184	172,586
2306	Cotton seed oil cake for feed 2306 10	2	1	Zero	- 1	100,000	25,362	0
2306	Coconut oil cake for feed 2306 50	2	1	-	-	Deleted	465,236	0
2308	Cotton seed waste for feed 2308 00	5	-	2	New	55,000	88,219	0
3501	Casein, caseinates for coffee creamer 3501 10	8	-	3	New	4,000	3,414	139

HS No.	Commodity	Applied Tariff 1/	Quota Tariff Rate (%)				Trade (Metric ton)	
			2008 2/	2009 3/	Changes	2009 Quota (MT) 3/	2008 Total Imports 4/	2008 Imports from U.S. 4/
	3501 90							
4101	Raw hides & skins of bovine 4101 20 4101 50 4101 90	1	-	Zero	New	Unlimited	140,837	119,731
4102	Raw skins of sheep 4102 10 4102 21 4102 29	1	-	Zero	New	Unlimited	4,415	0
4103	Other raw hides & skins 4103 20 4103 30 4103 90	1	-	Zero	New	Unlimited	1,548	16
4104	Tanned or crust hides and skins of bovine 4104 11 4104 19 4104 41 4104 49	5	2.5	2	-0.5	Unlimited	27,401	11,529
4408	Sheets for veneering for plywood of thickness exceeding 0.4 mm 4408 10 4408 31 4408 39 4408 90	3	-	Zero	New	100,000 m3	175,851	171
4411	Fiberboard of wood 4411 12 4411 13 4411 14	8	-	5	New	11,000 m3	217,926	3,801

HS No.	Commodity	Applied Tariff 1/	Quota Tariff Rate (%)				Trade (Metric ton)	
			2008 2/	2009 3/	Changes	2009 Quota (MT) 3/	2008 Total Imports 4/	2008 Imports from U.S. 4/
5205	Cotton yarn 5205 12 5205 32	4	-	Zero	New	16,000	28,747	0

Source: The Ministry of Strategy and Finance (MSOF), Korea Trade Information Service (KOTIS)

Note:

1/ Base Tariff Rate

2/ January 1 – June 30, 2008 period

3/ January 1 – June 30, 2009 period

4/ January 1 – November 30, 2008 period

5/ Consists of 380,000 MT for feed and 30,000 MT for mushroom growing